



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Adopt Resolution Authorizing Renewal of Support Agreement for J.D. Edwards Software System from Oracle Corp., of Redwood City, CA (\$27,530.00) (ISD).

**MEETING DATE:** October 5, 2005

**PREPARED BY:** Information Systems Manager

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**RECOMMENDED ACTION:** That the City Council adopt a resolution authorizing the renewal of the annual support agreement for J.D. Edwards Software System from Oracle Corp., of Redwood City, CA \$27,530.00, and grant City Manager authority to approve subsequent annual renewals.

**BACKGROUND INFORMATION:** On October 1, 1997 the City Council adopted Res. No 97-157 in which it appropriated \$400,000.00 for the purchase and implementation of the J.D. Edwards software package. The purchase was made following an exhaustive research and evaluation process in which many software products were examined.

The J.D. Edwards system includes several application modules which serve the City's mission critical, core functionality. These applications include General Ledger, Payroll/Human Resources, Accounts Payable, and Budget. These software applications are fully integrated and operate on the City's IBM AS400 mid-range computer system.

The City relies upon the manufacturer to provide ongoing maintenance and support services for the installed software, for a fee. The annual support charge is \$27,530.00. Included in the support agreement are periodic software updates and security patches, plus telephone support for City programmers and technicians, should the need arise.

In 2003 software manufacturer PeopleSoft purchased the J.D. Edwards Company. In December 2004 PeopleSoft was sold to Oracle Corp., its current owner. Accordingly, this software maintenance and support agreement will be made with Oracle Corp.

It should be noted that this software package will likely be phased out by its new owner, Oracle Corp., over a period of years. The City is currently addressing this eventuality and will likely make recommendations to the City Council concerning this issue at some time in the future.

In the meantime, staff feels it imperative to continue to have a maintenance and support agreement in force for this software. Council is also being asked to grant the City Manager authority to approve subsequent annual renewals of this contract, provided the renewals are routine and not materially different.

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APPROVED: \_\_\_\_\_

Blair King, City Manager

There are no suitable alternatives to not renewing this support contract. While there are many third-party vendors willing to sell the City support contracts, to date none of them have been deemed adequate or sufficiently reliable to recommend as a replacement.

Given the criticality of this software, staff recommends renewing the support agreement with Oracle Corp. in the amount of \$27,530.00.


**FISCAL IMPACT:**

This item is budgeted.

**FUNDING AVAILABLE:**

ISD SUBLET SERVICE CONTRACTS – 100411.7335 (\$27,530.00)

  
James R. Krueger, Finance Director

  
Steve Mann  
Information Systems Manager

RESOLUTION NO. 2005-213

A RESOLUTION OF THE LODI CITY  
COUNCIL AUTHORIZING RENEWAL OF  
ANNUAL SUPPORT AGREEMENT FOR  
J. D. EDWARDS SOFTWARE SYSTEM

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NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the annual support agreement for J. D. Edwards software system from Oracle Corp., of Redwood City, California, in the amount of \$27,530.00; and

BE IT FURTHER RESOLVED that the City Council further authorizes and directs the City Manager to approve subsequent annual renewals of this contract, provided the renewals are routine and not materially different.

Dated: October 5, 2005

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I hereby certify that Resolution No. 2005-213 was passed and adopted by the Lodi City Council in a regular meeting held October 5, 2005, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, Mounce, and  
Mayor Beckman

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Hitchcock

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON  
City Clerk